



DESTINATION: Retirement

PUBLIC EMPLOYEES' RETIREMENT FUND

FALL 2011

Easy access

If you've tried accessing your online account or the customer service center, you might be aware that improvements have been made to the login procedure.

Instead of a Pension ID number (PID), members are now asked to use their Social Security number (SSN) or alternate User ID, and passcode.

Here's what you need when contacting INPRS:

1) Calling in:

- Social Security number (SSN) for User ID and most recent passcode
- *If you have never called in, or accessed your online account*, use your SSN for the

User ID and the passcode that was mailed to you. Follow the instructions provided during the voice prompts.

2) Logging in to online account:

- Most recently updated User ID and passcode
- *If you have never accessed your online account*, use your SSN for the User ID and the passcode previously mailed to you.

3) Forgot your User IDs/passcode?

- Call (888) 526-1687 to request it be sent to you. If you signed up for the "Forgot Your Passcode" feature online, you may retrieve it online.

Secure a financially comfortable retirement

The age at which workers expect to retire is gradually rising.

According to a 2011 Retirement Confidence Survey (RCS), in 1991, 50 percent of workers planned to retire before age 65, compared with 23 percent in 2011.

Are you confident that you'll be able to secure a financially comfortable retirement?

While working, you may enjoy medical and health insurance through your employer. But even with employer insurance, out of pocket expenses can be costly. Have you thought about

medical and health insurance in retirement? When you reach age 65, Medicare coverage becomes available, but it will not pay for everything.

Supplemental medical and health insurance may be needed.

If you're considering retirement, it may be wise to begin

comparison shopping now to select the best policy that fits your medical needs and price range.

There are many things to consider as you approach retirement. Be prepared by finding out more about your PERF pension benefit.



Federal benefit payments are going electronic

The U.S. Department of the Treasury now requires all federal benefit and non-tax payments to be paid electronically. Individuals applying for Social Security, veteran's benefits or other federal benefits on or after May 1, 2011, will receive their payments electronically starting with their first benefit payment. Those currently receiving federal benefit checks will need to switch to an electronic payment option by March 1, 2013.

With direct deposit, the Treasury Department sends an electronic message to one's bank or credit

union account on the usual payment day with the exact amount of the benefit payment. Individuals who do not choose an electronic payment option at the time they apply for federal benefits, or those who do not switch by the deadline, will receive their benefit payments via the Direct Express® Debit MasterCard® card, so they will not experience any interruption in payment. Individuals who are already receiving benefit payments electronically do not need to take action.

Having federal benefits paid electronically by direct deposit or



into a Direct Express® card account is safer, faster and more reliable than paper checks. In 2010, more than 540,000 treasury-issued checks were reported lost or stolen, and had to be reissued.

The Go Direct® campaign is sponsored by the U.S. Department

of the Treasury and Federal Reserve Banks. For more information, visit <http://godirect.org/social-security-federal-benefits-direct-deposit/>.

Direct deposit is the preferred method of making monthly benefit payments to INPRS members.

Beneficiary decision affects retirement benefit amount

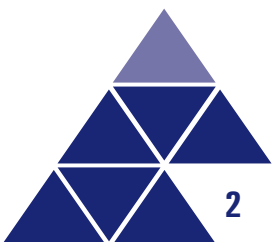
At retirement, members choose a distribution option for the monthly pension portion of the retirement benefit. The option selected will determine how much of a monthly pension benefit the

member will receive, and if any survivor benefits will be due upon the death of the member. Certain options provide for a payment to the member only, while other options provide a benefit for the

member during his or her lifetime as well as a named survivor after the member's death. Options that provide for the member only are generally higher than those that also provide for a survivor.

The selection of a pension option is extremely important, as it is

generally irrevocable. For detailed information about the options available to you, please visit our Web site at www.inprs.in.gov or sign up to attend a pre-retirement workshop in your area. A full article is available on page four of this newsletter.



Q&A: Ask a Consultant



Q: How often can I change my investment elections and how is it done?

A: Changing the investment elections for your Annuity Savings Account (ASA) can be done in one of two ways.

1. Call our Customer Service Center at (888) 526-1687, Monday through Friday, 8 a.m. to 8 p.m. EST, and make the change over the phone. To protect your personal information, we will verify your identity.
2. Log in to your secure, online PERF Online account. Here, you can manually update your investment elections. To log in, visit www.inprs.in.gov.

Any Fund Transfers or Reallocations – to your current balance – made by 4 p.m. EST

become effective at the close of business with that business day's valuation. **Changes to Future Investment Elections** – how your future contributions are invested – made before 4 p.m. EST will be recorded and visible in your PERF Online account at the start of the next business day. Actual allocations will not become effective until your next contribution is received and processed. Subject to these restrictions, changes can be made every day.

The importance of investment diversification

Despite the media reports about the effects of the market on pensions, members and retirees of the Indiana Public Retirement System (INPRS) can be assured that the fund remains in solid shape.

Only about 41 percent of INPRS investments are in public equities. Diversification into other asset classes, such as fixed-income securities at 24 percent, help to safeguard the fund from swings in the market.

Nine percent of the fund's portfolio is invested in a combination of Treasury Inflation-Protected Securities (TIPS) and Global

Inflation-Linked Bonds, which returned 3.6 percent in the second quarter ending June 30, 2011. Also, through June 30, 2011, one-year investment returns were at 19.37 percent, while 8-year returns were at 6.55 percent.

INPRS investment staff is actively and closely watching developments in the market and assessing its impact on INPRS's investment portfolio. While the system is not immune from difficult markets, its prudent, long-term approach to well-diversified investing is aimed at insulating investments from dramatic market swings.

IS YOUR PORTFOLIO DIVERSE?

Diversification is a strategy designed to reduce exposure to risk by combining a mix of investments. Is your mix of funds in line with your retirement goals?

If you haven't made any changes to your asset allocation since the new investment options were made available in July 2010, we encourage you to view the online demonstration at <http://www.in.gov/inprs/retirementmarket.htm>. Then, log in to your PERF Online account and make your investment elections.

If you have questions, contact our customer service center at (888) 526-1687, or e-mail us at questions@inprs.in.gov.



Pre-Retirement Workshops: A Two-Part Session

Are you considering retirement within the next 18 months? If so, please refer to one of the many workshops offered in your area. You can attend either the first half, second half or both halves.

The first half of the workshop focuses on retirement readiness and PERF's two-part retirement benefits plan. If you need help completing a retirement application, attend the second half of any workshop for a hands-on walkthrough of your application.

To view a list of workshops, go to www.inprs.in.gov. Under "Retirement Education," click "Workshops," then click "Register for a Pre-Retirement Workshop." You

will need to click on your region to complete the online registration form.

By attending a workshop you will receive:

- Information to help you budget for retirement
- A personalized benefit estimate
- Explanation of retirement options
- Step-by-step instructions for completing a retirement application
- Information about working after retirement
- Answers to retirement questions

Workshops begin at 10 a.m. and 2 p.m. You will receive a confirmation in the mail, including the date, time and workshop location that you selected.

Dates to Remember

Here are some dates for submitting retirement applications to PERF. You can find more Dates to Remember online at www.inprs.in.gov.

If your retirement date is:	Apply by:
Feb. 1, 2012	Nov. 1, 2011
March 1, 2012	Dec. 1, 2011
April 1, 2012	Jan. 1, 2012
May 1, 2012	Feb. 1, 2012
June 1, 2012	March 1, 2012

PAY ATTENTION TO PERF!

Keep your name, address and beneficiary information up-to-date. Visit www.inprs.in.gov, select Member Login and log in to PERF Online. Download the correct form online under Documents and Forms, or call (888) 526-1687 to request a form. Complete and sign the form and mail or fax to PERF.



Mitch Daniels, Governor | Steve Russo, Executive Director

We advance the achievement of retirement security for current and future retirees and beneficiaries through our delivery of operational and investment excellence, exemplary customer service and trusted stakeholder communication.

Every attempt has been made to verify that the information in this newsletter is correct and up-to-date. Published content does not constitute legal advice. If a conflict arises between information in this publication and the law, the applicable law shall apply.

The Indiana Public Employees' Retirement Fund is a trust and an independent body, corporate and politic. The fund is not a department or agency of the state of Indiana, but is an independent instrumentality exercising essential government functions. (Indiana Code 5-10.2-2-1, 5-10.3-2-1(b))